



# Department of Justice

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FOR IMMEDIATE RELEASE  
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**JUSTICE DEPARTMENT ALLOWS HALON RECYCLING CORPORATION  
TO ADD ADDITIONAL FIRE SUPPRESSANT CHEMICAL TO ITS  
INFORMATION EXCHANGE AND MARKETING SYSTEM**

WASHINGTON, D.C. -- The Department of Justice today approved a proposal by a gas recycling company to add an additional fire suppressant gas used in portable fire extinguishers to its information exchange and marketing system. The Department had previously approved a proposal by the company to market another fire suppressant used primarily in industrial and military settings.

Halon Recycling Corporation will be allowed to add Halon-1211 to the information exchange and marketing system for Halon-1301. Halons are low-toxicity, chemically-stable gaseous compounds used to suppress fires and explosions.

Because of the adverse effects of halons on the ozone layer, Congress prohibited new manufacture of halons as of January 1, 1994. Since there were no effective substitutes for certain halon products at that time, Congress allowed the recycling of certain existing halon products and their transfer to new customers with critical needs for the recycled products.

(MORE)

In 1993, Halon Recycling Corporation was formed to facilitate the transfer of recycled Halon-1301 from old users to new users with critical needs for that product.

Halon Recycling Corporation's 1993 formation of its information exchange and marketing system for Halon-1301 was approved in that same year by the Antitrust Division. The addition of a second halon product, Halon-1211 to Halon Recycling Corporation's program would, in the Department's view, not create any new antitrust risk.

The Department's announcement of its decision not to challenge the proposed enlargement of Halon Recycling Corporation's program was stated in a business review letter to counsel from Anne K. Bingaman, Assistant Attorney General in charge of the Antitrust Division.

Bingaman stated that "adding Halon-1211 to the information exchange and marketing system appears unlikely to reduce competition by facilitating collusion among potential buyers and sellers."

In reaching that conclusion, Bingaman noted that the prices and quantities of all sales of recycled Halon-1211 would be determined by the individual buyer or seller and that Halon Recycling Corporation would play no role in those determinations.

The Department also observed that the proposal might have a procompetitive effect to the extent that it created or expanded the market for recycled Halon-1211.

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Under the Department's business review procedure, an organization may submit a proposed action to the Antitrust Division and receive a statement as to whether the Division will challenge the action under the antitrust laws.

A file containing the business review request and the Department's response may be examined in the Legal Procedure Unit of the Antitrust Division, Suite 215, Liberty Place, 325 7th Street, N.W., Department of Justice, Washington, D.C. 20004. After a 30-day waiting period, the documents supporting the business review will be added to the file.

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